

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Monticello Field Office P.O. Box 7 Monticello, Utah 84535



FEB 2 | 2019

3809 (UT-090) UTU-74661 UTU-69788

FEB 2 5 2019

CERTIFIED MAIL 7017 3380 0000 9639 4031 RETURNED RECEIPT REQUESTED

DIV OF OIL, GAS & MINING

DECISION

Mike Rutter : Notice of Intent to Conduct
Pinon Ridge Mining LLC : Exploration, UTU 74661, Sage
31161 Highway 90, PO Box 825 : Mine Exploration, Summit
Nucla, Colorado 81424 : Canyon, San Juan County, Utah

DETERMINATION OF REQUIRED FINANCIAL GUARANTEE AMOUNT

On January 28, 2019 the subject notice-level operations to conduct exploration (Notice) was received in this office. This office responded on January 29, 2019, requiring additional information after determining that the Notice was not complete. On February 8, 2019, this office received the additional information requested, specifically the amount of bulk sample to be removed for testing. Consistent with the surface management regulations at 43 C.F.R. §3809.311(c), the Bureau of Land Management (BLM) has reviewed the additional information and determined that the Notice is complete. The BLM has reviewed the proposed operation and determined it is adequate to prevent unnecessary or undue degradation as defined by 43 CFR 3809.5.

Amount of Financial Guarantee – This office, in coordination with the Utah Division of Oil, Gas and Mining (UDOGM), has reviewed the \$30,900.00 reclamation bond that Pinon Ridge Mining (PRM) currently has in place with the UDOGM and determined that the bond amount needs to be escalated to \$37,630.00. The amount of the reclamation cost estimate is based on PRM complying with all applicable operating and reclamation requirements as outlined in the Notice and the regulations at 43 C.F.R. §3809.420.

The reclamation cost estimate is solely for the purpose of arriving at a total amount for the financial guarantee. This amount may be spent as the BLM and the UDOGM deem necessary to implement the accepted reclamation plan. The financial guarantee amount does not represent reclamation liability limits or constraints should the actual cost of reclamation exceed this amount.

Required Financial Guarantee —An acceptable financial guarantee instrument in the amount of \$37,630.00 must be submitted to the UDOGM, 1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, Utah 84114-5801. You must receive written notification from that office approving your financial guarantee before you begin any surface-disturbing operations.

The subject Notice (UTU-74661) replaces expired Notice UTU-69788 and is a continuation of the same exploration activity described in the expired Notice. Therefore, any outstanding reclamation liability incurred under the expired Notice is hereby transferred to Notice UTU-74661 and will be covered by the current reclamation bond, once it is escalated and approved. When the financial guarantee is approved by the UDOGM, the BLM will retire case file UTU-69788.

The BLM's review of your proposed operations, determination that your Notice is complete, finding that the activity will not cause unnecessary or undue degradation, and decision concerning the amount of the required financial guarantee does not relieve you of your responsibility to comply with all applicable Federal, State and local laws and regulations. While conducting operations, you must meet all applicable performance standards specified by regulations at 43 C.F.R §3809.420 and must not exceed the operations described in your notice. You must obtain all applicable Federal, State and local authorizations and permits. You must also reclaim all lands disturbed by your operations and take all measures needed to prevent unnecessary or undue degradation.

Furthermore, BLM's determination does not constitute: 1) certification of ownership to any entity named in the Notice; 2) recognition of the validity of any associated mining claims; 3) authorization to use non-BLM administered lands or; 4) recognition of the economic feasibility of the proposed operations.

Term of Notice – Your Notice will remain in effect with the BLM for two (2) years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another two (2) years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 C.F.R §3809.333. You will also have to submit an updated reclamation cost estimate at that time.

Appeal of the Decision Determining the Required Financial Guarantee Amount

If you are adversely affected by this decision, you may request that the BLM Utah State Director review this decision. If you request a State Director Review, the request must be received in the BLM Utah State Office at 440 West 200 South, Suite 500, Salt Lake City, Utah 84101-1345, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a stay is granted by the State Director. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Utah

State Office to determine when the BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at 365 North Main, PO Box 7, Monticello Utah 84535, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR §3809.801(a)(1). Your Notice of Appeal must be filed in this office at 365 North Main, PO Box 7, Monticello Utah 84535 within 30 days from receipt of this decision. As the appellant you have the burden of showing that the decision appealed from is in error. Enclosed is BLM Form 1842-1 that contains information on taking appeals to the IBLA.

This decision will remain in effect while the IBLA reviews the case, unless a stay is granted by the IBLA. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Request for a Stay

If you wish to file a petition pursuant to the regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by Interior Board of Land Appeals (IBLA), the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the IBLA and to the appropriate office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal must show sufficient justification based on the following standards:

- 1. The relative harm to parties if the stay is granted or denied.
- 2. The likelihood of the appellant's success on the merits.
- 3. The likelihood of immediate and irreparable harm if the stay is not granted.
- Whether the public interest favors granting the stay.

<u>Contact</u> – If you have questions concerning review of your Notice or determination of financial guarantee amount, please contact Ted McDougall at 435-587-1512. Please contact Penny Berry, Surety Coordinator, UDOGM Minerals Regulatory Program, at 801-538-5291 for information regarding the filing of the financial guarantee.

Gary Torres Field Manager Enclosure

cc: Opie Abeyta BLM Utah State Office

Paul Baker Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,

AND

2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF APPEAL

A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the Notice of Appeal in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a Notice of Appeal in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).

2. WHERE TO FILE

Bureau of Land Management, Monticello Field Office, P.O. Box 7, Monticello, Utah 84535 or Bureau of Land Management, Monticello Field Office, 365 North Main Street, Monticello, Utah 84535

NOTICE OF APPEAL....

WITH COPY TO SOLICITOR...

Regional Solicitor, Room 6201, 125 South State Street, Salt Lake City, Utah 84111

3. STATEMENT OF REASONS

Within 30 days after filing the Notice of Appeal, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the Notice of Appeal, no additional statement is necessary (43 CFR 4.412 and 4.413).

WITH COPY TO SOLICITOR

Regional Solicitor, Room 6201, 125 South State Street, Salt Lake City, Utah 84111

4. ADVERSE PARTIES.

Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the Notice of Appeal, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

5. PROOF OF SERVICE.

Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).

6. REQUEST FOR STAY

Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

43 CFR SUBPART 1821-GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office — Alaska
Arizona State Office — California
Colorado State Office — Colorado
Eastern States Office — Arkansas, Iowa, Louisiana, Minnesota, Missouri
and, all States east of the Mississippi River
Idaho State Office — Idaho
Montana State Office — Montana, North Dakota and South Dakota
Nevada State Office — Nevada
New Mexico State Office — New Mexico, Kansas, Oklahoma and Texas
Oregon State Office — Oregon and Washington
Utah State Office — Utah
Wyoming State Office — Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)